

PROVINCE OF SASKATCHEWAN



10-11

ANNUAL REPORT

**MINISTRY OF
AGRICULTURE**

Agri-Food Council

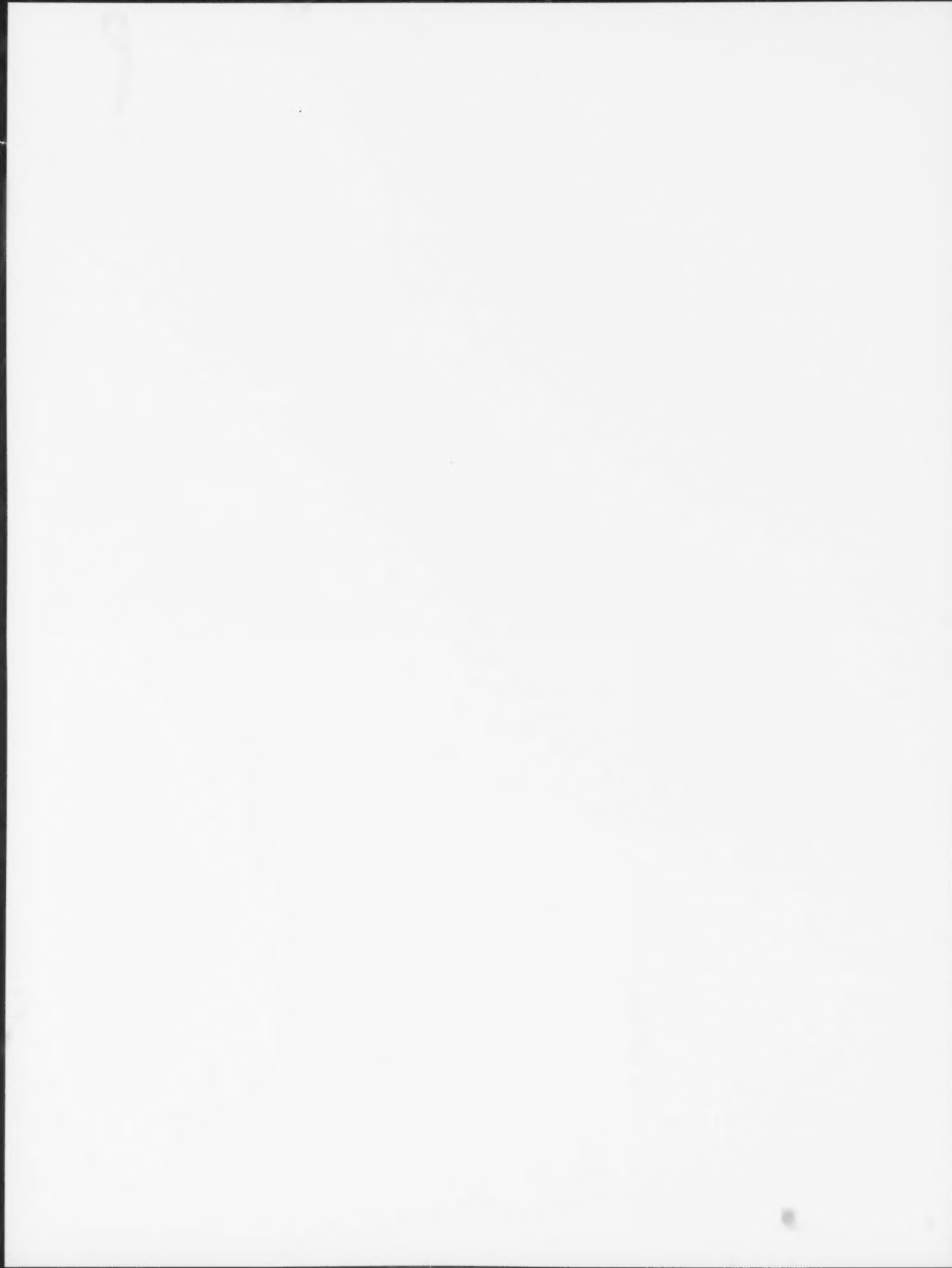
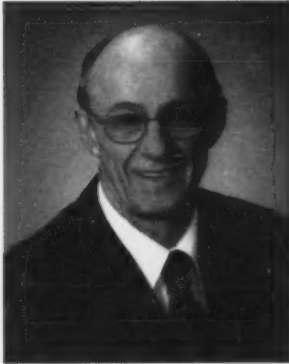


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This annual report is also available in electronic format from the Ministry's website at www.agriculture.gov.sk.ca.

Letters of Transmittal



His Honour
The Honourable Dr. Gordon L. Barnhart, S.O.M., PhD.
Lieutenant Governor of Saskatchewan

May it Please Your Honour:

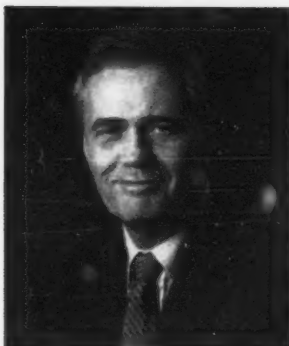
As the Minister of Saskatchewan Agriculture, it is my pleasure to submit the annual report for the Agri-Food Council for the year ending March 31, 2011.

Respectfully submitted,

A handwritten signature in cursive script that reads "Bob Bjornerud".

Bob Bjornerud
Minister of Agriculture

Letters of Transmittal



June 2011

The Honourable Bob Bjornrud
Minister of Agriculture

Sir:

In accordance with section 20 of *The Agri-Food Act, 2004*, I submit herewith the 2010-11 Annual Report of the Agri-Food Council.

Once again, the council has had an exciting, challenging and productive year. We began the year with the loss of a member, Burl Adams, and ended the year with the addition of a new member, Maurice Berry.

Mr. Berry's extensive experience within the agri-food industry and, in particular, with *The Agri-Food Act, 2004*, makes him a highly valuable addition to the council.

The council remains committed to its legislated mandate of supervising and monitoring each of the agencies for which it is responsible. In performing this role, the council has reviewed all submitted agency annual reports, meeting minutes, policies and strategic plans. As well, we have assessed and ruled on all submitted agency orders. Additionally, at the close of the last fiscal year, the establishment process for two new agencies, the Saskatchewan Cattlemen's Association and the Saskatchewan Milk Marketing Board, was in progress. As of October 2010, both of these agencies have been fully established.

In addition to its legislated mandate, in 2010-11 the council set the following three proactive goals, all of which have been achieved:

1. finalize our strategic plan;
2. approve a general governance training program for agencies that council staff can facilitate upon request; and
3. increase the interaction between agencies through a meaningful information sharing forum on key agency matters.

The council would like to congratulate the agencies on their successes and thank them for their continued co-operation. We are pleased to report that overall compliance in 2010-11 remained excellent. We will continue to ensure that the full reporting requirements are met by all agencies. It is essential that the highest level of accountability be exercised to ensure that the trust producers have invested in these agencies is maintained.

Respectfully submitted,

A handwritten signature in dark ink, appearing to read 'R.T. Tyler'.

R.T. Tyler, Chairperson

Agri-Food Council

Roles and Responsibilities

Established in 1990*, the Agri-Food Council (council) is appointed by the Lieutenant Governor in Council to supervise and monitor the activities of the agri-food agencies established under *The Agri-Food Act, 2004* (Act). Under the authority of the Act, the council plays a supervisory, advisory, regulatory and investigative role in the agri-food industry, each of which is described below:

(1) The council ensures that each of its supervised agencies is compliant with the terms and conditions of the Act, its regulations, and the agency-specific regulations and orders. In doing so, the council advises and updates the Saskatchewan Minister of Agriculture on the operation and administration of the agencies under the Act and provides recommendations to the Minister on how to proceed with various agency matters.

(2) As a regulator, the council reviews proposed marketing and development plans, determines whether public meetings or hearings should be called in respect to the proposed plans, conducts producer votes and makes recommendations to the Minister on whether or not to amend or terminate such plans. The council also approves all agency orders to ensure compliance with all applicable legislation and regulations, consults with agencies on issues relating to federal-provincial agreements, and reviews agency policies, programs, meeting minutes, annual reports and strategic plans.

(3) The council investigates issues related to agency policies. A separate independent appeal body appointed under the Act, the Agri-Food Appeal Committee, hears appeals relating to agency issues which violate the Act, its regulations or the regulations or orders of an agency.

The Agri-Food Act, 2004 provides the framework for the promotion, development, regulation and control of Saskatchewan's agri-food production. To form an agency under the Act, in co-operation with the council and its staff, producers of one or more agri-food products work together to prepare a development or marketing plan that will guide the operation of the proposed agency. If the proposed agency plan meets all of the requirements set forth in the Act and the Lieutenant Governor in Council has assented, the agency is established and a producer-elected and operated commission or board is formed that administers the agency's

plan. Under the authority of the Act, producer-operated commissions and boards collect levies (check-offs) that are either mandatory refundable (commissions) or mandatory non-refundable (boards). These levy (check-off) funds are used for research, development and/or marketing initiatives, as well as agency operations. In 2010 the Act was amended to allow development commissions to collect both refundable and non-refundable levies (check-offs). This change was necessary to allow development commissions to participate in national check-off agencies operating with non-refundable levies.

In 2010-11, the council was responsible for monitoring 18 agencies. Presented below is a description of the three agency types that may be established under the Act, as well as a listing of each of the agencies currently supervised by the council.

(1) Development Commissions - The mandate of a development commission is to conduct promotion and development activities associated with the production and/or marketing of the commission's specific agricultural commodity. Refundable levies (check-offs) allow commissions to support research that improves producer productivity and profitability and reduces producer input costs. Research and cost-cutting measures developed by commissions usually provide returns to producers far exceeding the value of their contributed levies.

Saskatchewan's 10 development commissions are:

- Saskatchewan Alfalfa Seed Producers Development Commission;
- Saskatchewan Beekeepers Development Commission;
- Canaryseed Development Commission of Saskatchewan;
- Saskatchewan Canola Development Commission;
- Saskatchewan Cattlemen's Association;
- Saskatchewan Flax Development Commission;
- Saskatchewan Forage Seed Development Commission;
- Saskatchewan Mustard Development Commission;
- Saskatchewan Oat Development Commission; and
- Saskatchewan Winter Cereals Development Commission.

* The Agri-Food Council replaced the Agricultural and Food Products Development and Marketing Council, the supervisory body established under the legislation replaced by *The Agri-Food Act, 2004*.

(2) Development Boards - A development board is very similar to a development commission in that development boards are also mandated to perform promotion and development activities associated with the production and/or marketing of the board's specific agricultural commodity. However, unlike a development commission, a development board is funded by a non-refundable levy (check-off). Consequently, development boards are more difficult to organize since the Lieutenant Governor in Council must be convinced that the levy is supported by the majority of the industry as confirmed by a producer vote before the board is established.

The three development boards are:

- Sask Pork;
- Saskatchewan Pulse Crop Development Board; and
- Sheep Development Board.

(3) Marketing Boards - A marketing board administers its individual supply-managed marketing plans. These plans allow for the regulation and control of the production and marketing of their respective agricultural commodity through the use of quotas. As well, marketing boards are mandated to perform promotion and development activities associated with their specific agricultural commodities. To support their operations, the legislation empowers these boards to charge and collect a non-refundable levy (check-off).

Saskatchewan's five marketing boards are:

- Saskatchewan Broiler Hatching Egg Producers' Marketing Board;
- Chicken Farmers of Saskatchewan;
- Saskatchewan Egg Producers;
- Saskatchewan Milk Marketing Board; and
- Saskatchewan Turkey Producers' Marketing Board.

2010-11 Agri-Food Council Members

Robert (Bob) Tyler, Chairperson	Saskatoon
Murray McGillivray, Vice Chairperson	Radville
Maurice Berry	Carievale
Hubert Esquirol	Meota
Richard (Rick) Lindsay	Arborfield

Staff

Corey Ruud, General Manager	Regina
Lyndi Blakley, Policy and Programs Specialist	Regina

Council Office

Walter Scott Building
302 - 3085 Albert Street
Regina, Saskatchewan
S4S 0B1

Phone: (306) 787-5978
Fax: (306) 787-5134
E-mail: corey.ruud@gov.sk.ca
Website: www.agriculture.gov.sk.ca/Agri-Food-Council

The fiscal year of the council is from April 1 to March 31.

2010-11 In Review

Brief Overview

During the 2010-11 fiscal year, the council continued to carry out its mandate to supervise the activities and administration of the commissions and boards operating under *The Agri-Food Act, 2004*.

In April 2010, Burl Adams stepped down from council. Maurice Berry was appointed to the council in February 2011. As an active participant in the agri-food industry and a previous member of the Saskatchewan Pulse Crop Development Board for six years, including a term as chairperson, Mr. Berry's experiences in the agri-food industry, especially with respect to *The Agri-Food Act, 2004*, bring a wealth of knowledge and expertise to the council.

The council's 2011-13 strategic plan was completed in March 2011. In preparing this plan, the council reflected on its meetings and experiences with agencies, the Ministry mandate and strategic plan, and meetings with the Deputy Minister and the Minister. Of key importance was the development of a plan that could be fully implemented and that balanced the council's legislated responsibilities with its desire to be more proactive in the growth of Saskatchewan's agri-food industry.

The resulting plan reflects the council's commitment to providing effective and appropriate oversight of the agencies, to contributing to the growth and development of agencies, to facilitating the establishment of new agencies, and to developing and maintaining its relationships with both agencies and the Ministry. Given the interconnectedness of Canadian agriculture, the council is also committed to developing and maintaining relationships with its provincial and national supervisory agency counterparts.

In 2008, the council made a commitment to meet one-on-one with each of the agencies, a goal which has since been accomplished. During its meetings with agencies, council discovered that some agencies had not met with the council since they were established, which was in some cases as many as 13 years prior to their meeting with the current council. This commitment provided an invaluable opportunity for the council to better understand the goals and visions of the

agencies, as well as to begin to develop effective and productive relationships with the agencies. Given the highly beneficial nature of this process, the council has committed to invite each of the agencies to a council meeting on a three-year rotation.

Recognizing the variability in governance expertise of the agencies, as well as the varying degrees of developmental resources available, the council has made a commitment to providing general governance information to agencies. With direction from the council, staff has prepared a governance manual that can be used to provide governance training to agencies on request. This manual includes information on 10 different governance topics, including running a meeting, addressing conflicts of interest, and potential legal liabilities of non-profit corporations established under *The Agri-Food Act, 2004*. Given the increasing number of inquiries from agencies on various governance matters, it is anticipated that additional material will be added to the manual in the years ahead.

In January and February 2011, council staff provided the first agency-requested governance sessions. Feedback from these sessions was extremely positive. Agencies requesting more specific governance training will be referred to private sector providers.

During the 2009-10 fiscal year, the Minister approved the establishment of a cattle development commission and a milk marketing board. To enable the establishment of the cattle development commission, *The Agri-Food Act, 2004* had to be amended to allow a development commission to collect a non-refundable national levy. The Saskatchewan Cattlemen's Association was fully established on August 4, 2010, following the May 2010 amendment to the Act. On October 1, 2010, the Saskatchewan Milk Marketing Board was fully established.

During the process of establishing the Saskatchewan Milk Marketing Board, the Minister tasked the council with facilitating a processor levy agreement between the marketing board and the province's lone processor, and reviewing the final milk regulations within 18 months of their establishment to ensure the regulations meet the needs of all industry stakeholders. In addressing this task, the council determined that both industry

parties needed to operate within the new regulatory structure for a period of time before addressing any need for regulatory change. The council intends to begin discussions with both parties in June 2011.

The council capped off its year with the Governance and Industry Development Conference held on March 29-30 in Regina. The two-day conference had two main areas of focus: (1) effective governance and (2) research and market development opportunities, as well as trade and trade policy. Attendees were also provided with a review of the governing legislation, a discussion of how to address conflicts of interest, and a review of basic legal liability information of which all board members should be aware. The research and market development session was designed to directly address the key mandates of all agencies operating under *The Agri-Food Act, 2004*, namely promotion and development of their respective industries.

All agency board members and staff were invited to attend. Agencies were well represented with 13 of the 18 agencies having members in attendance, and with approximately 60 attendees in total. Given the feedback received, if the council were to hold a similar conference again, it is expected that attendance would be much higher. Initial feedback was extremely positive with many comments noting the wonderful networking opportunity and the highly relevant and applicable information presented. Overall, the council was extremely impressed with the material presented and the highly positive interaction between agencies.

Activities Report

Supervision of Commissions and Boards

As part of its responsibility to supervise boards and commissions operating under *The Agri-Food Act, 2004*, the council reviewed the minutes of regular and annual meetings of the commissions and boards, as well as all submitted policies, annual reports and financial statements. The council analyzed and ruled on all agency-proposed board orders. Members and staff also attended agency meetings, including annual general meetings, and reported back to the council.

Lastly, the council met with agencies throughout the year and provided guidance on various agency matters.

Marketing Plan Reviews

During the 2010-11 fiscal year, no new marketing plans were presented to the council for consideration. The establishment of the Saskatchewan Milk Marketing Board, which the Minister approved during the 2009-10 fiscal year, was completed in October 2010.

Development Plan Reviews

The council was presented with two development plans for review. After careful consideration, neither of these plans was recommended for establishment at this time. The Saskatchewan Cattlemen's Association was fully established in August 2010.

National Activities

National Marketing Agencies

The council is a signatory to three federal-provincial agreements which provide the basis for the operation of the national marketing agencies for chicken (Chicken Farmers of Canada), turkey (Turkey Farmers of Canada) and eggs (Egg Farmers of Canada). These national agencies are producer-driven, supply-managed organizations with representation from downstream sectors (primary and further processors and consumer representatives). The primary mandate of these organizations is to manage the supply of poultry products across Canada as specified in the federal-provincial agreements.

Each national agency allocates production quota among participating provincial commodity boards who in turn allocate their provincial allocations to individual quota-holding producers within their provincial boundaries. The supply management system is designed to target production to meet market demand at a price that covers the average producer's production costs and provides producers with a reasonable return on investment.

The council co-operates with other national and provincial supervisory agencies as a member of the National Association of Agri-Food Supervisory Agencies (NAASA). The council also collaborates on various tasks with its two national counterparts: the Farm Products Council of Canada, which is responsible for supervising the national poultry marketing agencies and the Beef Cattle Research Market Development and Promotion Agency; and the Canadian Dairy Commission, which is responsible for supervising the national dairy industry.

During 2010-11, the council and staff participated in various national meetings involving the aforementioned groups, including the following:

- June 2010 - The council hosted the Farm Products Council of Canada on an outing in Saskatoon which showcased Saskatchewan's agricultural successes. A council and staff member also attended the summer meeting of the Turkey Farmers of Canada.
- September 2010 - A council and staff member participated in a NAASA meeting and a Chicken Farmers of Canada signatories meeting.
- March 2011 - Staff participated in a NAASA meeting and attended the national supply management agency annual general meetings.

In 2007, Saskatchewan requested membership in the Canadian Hatching Egg Producers (CHEP), the national counterpart to the Saskatchewan Broiler Hatching Egg Producers' Marketing Board. At that time, the organization was close to finalizing its renewed federal-provincial agreement. The parties decided that Saskatchewan would be a signatory to the new agreement and, until it was implemented, would be included within CHEP through the use of a service agreement, the first of which was signed in 2008.

The service agreement allows Saskatchewan to enjoy most of the benefits of being a CHEP member, including access to industry information and participation in the national quota allocation formula, as well as CHEP meetings and committees. The downfall of this agreement is that Saskatchewan cannot cast a vote on issues related to the national allocation system or on matters that involve the exercising of CHEP's statutory powers.

With the federal-provincial agreement yet to be completed, an extension to the service agreement will be signed in April 2011. It is hoped that the federal-provincial agreement will be in place by the end of the upcoming fiscal year, thus making Saskatchewan a full participant.

At the national level, the chicken industry has been debating the development of a new or altered differential growth policy for the past few years. Any changes to this policy would require an amendment to the operating agreement, a portion of the federal-provincial agreement. As such, each of the 21 signatories to the operating agreement must approve the change. In September 2010, the Chicken Farmers of Canada held a signatories meeting to address the matter. Not all signatories approved the development of such a policy given the framework presented. During the March 2011 Chicken Farmers of Canada Annual General Meeting, the discussion on the development of such a policy continued.

National Association of Agri-food Supervisory Agencies (NAASA)

The council continued to participate as an active member of NAASA, an association whose mandate is "to assist the agri-food industry by sharing information, providing direction and supporting an environment that promotes its development and prosperity."

The chicken industry remained an area of focus with discussions centred on the interprovincial movement of live chickens occurring in Central Canada.

Overall, the association is moving to become a communication platform to allow for the development of an increased understanding of

jurisdictional differences in supervisory agency mandates, agency powers and decisions, and overall agri-food industry activities.

Aligning with a key Agri-Food Council focus, during the upcoming year NAASA's attention is moving toward agency governance, more specifically the varying governance programs being developed and facilitated by supervisory agencies across the country and the successes, drawbacks and lessons learned from those various programs.

NAASA members also continue to provide information and guidance to the Canadian Dairy Commission's review of provincial legislation with a focus on the powers allocated to the provincial milk marketing boards and provincial differences in milk industry responsibilities assigned to the provincial milk agency, supervisory board and Ministry.

Discussion continues on the Farm Products Council of Canada's efforts to work with agricultural industries to develop Promotion Research Agencies under Part II of the *Farm Products Agencies Act*. Currently there is only one Promotion Research Agency, the Canadian Beef Cattle Research, Market Development and Promotion Agency. The establishment of additional agencies under this legislation has the potential of increasing producer research and development funds through the placement of levies on imports. The Agri-Food Council is committed to providing support to any provincial partners working to develop a Promotion Research Agency.

2010-11 Review of Agency Activities

Each agency is required to submit annually to the council the following five reports:

- an audit report on the financial statements (Financial Statements Audit Report);
- an audit report on the rules and procedures to safeguard and control agency assets (Internal Control Opinion Audit Report);
- an audit report on compliance with authorities (Legislative Compliance Audit Report);
- a statement comparing actual results to budgeted results in the audited financial statements (Budget to Actual Comparison); and
- a Payee List with board of director approved thresholds disclosed (Payee List).

Each agency's board of directors and management are responsible for establishing and maintaining a system of internal control, complying with applicable regulations, maintaining financial records and preparing financial statements. The agency's system of internal control, legislative compliance and financial statements are audited annually.

The following information provides a summary of each agency.

Development Commissions

Saskatchewan Alfalfa Seed Producers Development Commission

127 E - 116 Research Drive
Saskatoon, SK S7N 3R3
Phone: (306) 651-7275
Fax: (306) 651-7270
E-mail: goerzenw@innovationplace.com

Board of Directors - 2009-10

Andrew Lindsay-Hawkins, Chairperson	Saskatoon
Miles Wendell, Vice Chairperson	Yorkton
Rob Cay	Tisdale
Dan Marchildon	Zenon Park
Randy Toman	Guernsey
Sheldon Wolf	Carrot River
Wayne Goerzen, Executive Director	Saskatoon

Annual Report Review Fiscal Year End - July 31, 2010

The Saskatchewan Alfalfa Seed Producers Development Commission (SASPDC) was successful in completing and submitting the required five reports to the council for its 2009-10 fiscal year.

In addition to the required reports, several other aspects of the SASPDC's annual report were reviewed, including a review of its research priorities, an analysis of the dollars spent on programs and administration and the percentage of levy refunded, a review of the activities report and a verification of the list of directors included in the annual report.

Overall, SASPDC met all reporting requirements and the council had no significant concerns.

Administration and Finance

The SASPDC's system of internal control, legislative compliance and financial statements are audited annually by Merv Culham, CA. The board of directors and management are responsible for establishing and maintaining a system of internal control, complying with applicable regulations, maintaining financial records, and preparing financial statements.

Summary of Financial Activities

In accordance with its regulations and orders, SASPDC is funded by a levy of \$0.0075 per pound of alfalfa seed marketed at the first point of sale. Producers may request a refund of any or all of the levy paid.

	<u>2009</u>	<u>2010</u>
Levy Revenue	\$100,651	\$81,073
Levy Refunded	(2,136)	0
Refund Rate	2.1%	0.0%
Other Revenue	<u>61,552</u>	<u>26,198</u>
Total Revenue	160,067	107,271
Total Expenses	<u>145,465</u>	<u>107,501</u>
Operating Surplus (Deficit) for the Year	<u>\$14,602</u>	<u>(\$230)</u>
Total Assets	<u>\$326,341</u>	<u>\$326,111</u>

Registered producers and buyers may request a complete copy of the annual report by contacting the SASPDC at the above address.

Saskatchewan Beekeepers Development Commission

R.R. 2

Canora, SK S0A 0L0

Phone: (306) 792-2044

Fax: (306) 792-2064

E-mail: howlandshoney@gmail.com

Board of Directors - 2010

Tim Wendell, Chairperson	Roblin, MB
Calvin Parsons, Vice Chairperson	Meskanaw
Corey Bacon	Kinistino
Joe Edwards	Ridgedale
Danny Valteau	Aylsham
Barry F. Brown	Saskatoon
Wink Howland, Secretary/Treasurer	Canora

Annual Report Review

Fiscal Year End - December 31, 2010

The Saskatchewan Beekeepers Development Commission (SBDC) was successful in completing and submitting the required five reports to the council for its 2010 fiscal year.

In addition to the required reports, several other aspects of the SBDC's annual report were reviewed, including an analysis of the dollars spent on programs and administration and the percentage of levies refunded, a review of the activities report and a verification of the list of directors included in the annual report.

Overall, SBDC met all reporting requirements and the council had no significant concerns.

Administration and Finance

The SBDC's system of internal control, legislative compliance and financial statements are audited annually by ParkerQuine LLP. The board of directors and management are responsible for establishing and maintaining a system of internal control, complying with applicable regulations, maintaining financial records, and preparing financial statements.

Summary of Financial Activities

In accordance with its regulations and orders, SBDC is funded by a levy of \$1 per producing colony by beekeepers that annually produce 100 or more colonies. Beekeepers producing fewer than 100 colonies annually can voluntarily submit \$1 per producing colony levy. Beekeepers may request a refund of any or all of the levy paid.

	<u>2009</u>	<u>2010</u>
Levy Revenue	\$67,429	\$70,069
Levy Refunded	(8,638)	(8,575)
Refund Rate	12.8%	12.2%
Other Revenue	<u>7,613</u>	<u>8,688</u>
Total Revenue	66,404	70,182
Total Expenses	<u>33,421</u>	<u>37,293</u>
Operating Surplus (Deficit) for the Year	<u>\$32,983</u>	<u>\$32,889</u>
Total Assets	<u>\$73,597</u>	<u>\$106,626</u>

Registered producers and buyers may request a complete copy of the annual report by contacting the SBDC at the above address.

Canaryseed Development Commission of Saskatchewan

502 - 45th Street West, 2nd Floor
Saskatoon, SK S7L 6H2
Phone: (306) 975-6624
Fax: (306) 244-4497
E-mail: office@agribiz.ca
Website: www.canaryseed.ca

Board of Directors - 2009-10

Andrew Schaefer, Chairperson	Riceton
Glenn Byrnes, Vice Chairperson	Eston
Jack Carlson	Kyle
Larry Frisky	Arborfield
Kurtis Nunweiler	Rosetown
Barbara Podhorodeski	Shipman
Vince Walker	Melfort

Kevin Hursh, Executive Director	Saskatoon
Adele Buettner, General Manager	Saskatoon
Pierre Hucl, Board Advisor	Saskatoon
Bill May, Board Advisor	Indian Head
Blaine Recksiedler, Board Advisor	Regina

Annual Report Review Fiscal Year End - July 31, 2010

The Canaryseed Development Commission of Saskatchewan (CDCS) was successful in completing and submitting the required five reports to the council for its 2009-10 fiscal year.

In addition to the required reports, several other aspects of the CDCS's annual report were reviewed, including an analysis of the dollars spent on programs and administration and the percentage of levies refunded, a review of the activities and state of industry reports and a verification of the list of directors included in the annual report.

Overall, CDCS met all reporting requirements and the council had no significant concerns.

Administration and Finance

The CDCS's system of internal control, legislative compliance and financial statements are audited annually by Twigg & Company. The board of directors and management are responsible for establishing and maintaining a system of internal control, complying with applicable regulations, maintaining financial records, and preparing financial statements. The levy is collected and recorded by a third-party with a system of checks and balances to ensure accuracy.

Summary of Financial Activities

In accordance with its regulations and orders, CDCS is funded by a levy of \$1.75 per net tonne of canaryseed marketed at the first point of sale. Producers may request a refund of any or all of the levy paid.

	<u>2009</u>	<u>2010</u>
Levy Revenue	\$223,983	\$293,811
Levy Refunded	(11,884)	(13,100)
Refund Rate	5.3%	4.5%
Other Revenue	<u>258,604</u>	<u>231,578</u>
Total Revenue	470,703	512,289
Total Expenses	<u>388,787</u>	<u>507,495</u>
Operating Surplus (Deficit) for the Year	<u>\$81,916</u>	<u>\$4,794</u>
Total Assets	<u>\$603,838</u>	<u>\$589,198</u>

Registered producers and buyers may request a complete copy of the annual report by contacting the CDCS at the above address.

Saskatchewan Canola Development Commission

212 - 111 Research Drive
Saskatoon, SK S7N 3R2
Phone: (306) 975-0262
(877) 241-7044
Fax: (306) 975-0136
E-mail: info@saskcanola.com
Website: www.saskcanola.com

Board of Directors - 2009-10

Wayne Bacon, Chairperson	Kinistino
Terry Youzwa, Vice Chairperson	Nipawin
Brett Halstead, Treasurer	Nokomis
Frank Groeneweg	Edgeley
Joan Heath	Radisson
Tim Wiens	Herschel

Catherine Folkersen, Executive Director Saskatoon

Annual Report Review Fiscal Year End - July 31, 2010

The Saskatchewan Canola Development Commission (SCDC) was successful in completing and submitting the required five reports to the council for its 2009-10 fiscal year.

In addition to the required reports, several other aspects of the SCDC's annual report were reviewed, including an analysis of the dollars spent on programs and administration and the percentage of levies refunded, a review of the activities and state of industry reports and a verification of the list of directors included in the annual report.

Overall, SCDC met all reporting requirements and the council had no significant concerns.

Administration and Finance

The SCDC's system of internal control, legislative compliance and financial statements are audited annually by Pricewaterhouse Coopers LLP. The board of directors and management are responsible for establishing and maintaining a system of internal control, complying with applicable regulations, maintaining financial records, and preparing financial statements.

The levy is collected and recorded by a third-party with a system of checks and balances to ensure accuracy.

Summary of Financial Activities

In accordance with its regulations and orders, SCDC is funded by a levy of \$0.75 per metric tonne of all canola and canola-quality Brassica juncea marketed at the first point of sale. Producers may request a refund of any or all of the levy paid.

	2009	2010
Levy Revenue	\$3,737,712	\$4,284,098
Levy Refunded	(267,965)	(356,718)
Refund Rate	7.2%	8.3%
Other Revenue	382,863	185,597
Total Revenue	3,852,610	4,112,977
Total Expenses	3,606,058	3,457,391
Operating Surplus (Deficit) for the Year	\$246,552	\$655,586
Total Assets	\$3,935,149	\$4,525,085

Registered producers and buyers may request a complete copy of the annual report by contacting the SCDC at the above address.

Orders

Certain powers granted to the SCDC require a council-approved board order to be effective. During the council's 2010-11 fiscal year, the following SCDC board order was reviewed and approved:

Order No. 23/10: Scientific Research

Effective: August 20, 2010

This order allows the SCDC to act as an agent for registered producers in matters relating to the Scientific Research and Experimental Development Program (SRED) and the Saskatchewan Research Development Tax Credit (SRDTC), both of which are administered by the Canada Revenue Agency. Under each of these programs, producers can acquire tax credits for levy submissions with the amount received dependent on whether or not the SCDC's funded research projects meet the SRED and SRDTC program specifications.

Saskatchewan Cattlemen's Association

502 - 45th Street West, 2nd Floor
Saskatoon, SK S7L 6H2

Phone: (306) 655-2333
(877) 908-2333

Fax: (306) 665-2336

E-mail: info@saskbeef.com

Website: www.saskbeef.com

Board of Directors - 2009-10

Jack Hextall, Chairperson	Grenfell
Ryan Thompson, Vice Chairperson	Ceylon
Bill Jameson, Finance Chairperson	Moose Jaw
Bob Ivey, Past Chairperson	Ituna
Ryan Beierbach	Whitewood
Lyal Fox	Shellbrook
Doug Gillespie	Neville
Larry Grant	Val Marie
Bruce Holmquist	Kinistino
Leon Stang	Cactus Lake
David Stuart	Edam
Duane Thompson	Kelliher
Rick Toney	Gull Lake
Howard Toews	Watrous
Brad Welter	Viscount
Richard Wilson	Porcupine Plain

Keith Robertson, Chief Executive Officer Saskatoon

Annual Report Review Fiscal Year End - July 31, 2010

The Saskatchewan Cattlemen's Association (SCA) was successful in completing and submitting two required financial reports to the council for its 2009-10 fiscal year. The Internal Control Opinion, Legislative Compliance Opinion and Budget-to-Actual Comparison were absent.

The council staff has addressed these issues with the SCA. Additional financial information was requested from the SCA which was received and reviewed by the council. The council expects the SCA to provide a complete annual report to both its membership and the council in the future.

Administration and Finance

The SCA's financial reports were audited by Marcia Herback, CA. The board of directors and management are responsible for establishing and

maintaining a system of internal control, complying with applicable regulations, maintaining financial records, and preparing financial statements.

Summary of Financial Activities

In accordance with its regulations and orders, SCA is funded by a mandatory refundable levy of \$1.00 which remains in the province and a mandatory non-refundable levy of \$1.00 which the SCA sends to the Canadian Beef Research, Market Development and Promotion Agency, the national beef cattle check-off agency.

	<u>2009</u>	<u>2010</u>
Cattle Marketing Deductions	\$208,209	\$846,348
Fund Grant		
Other Revenue	<u>0</u>	<u>138</u>
Total Revenue	208,209	846,486
Total Expenses	<u>208,209</u>	<u>632,076</u>
Operating Surplus		
(Deficit) for the Year	<u>\$0</u>	<u>\$214,410</u>
Total Assets	<u>\$207,107</u>	<u>\$241,355</u>

Registered producers and buyers may request a complete copy of the annual report by contacting the SCA at the above address.

Orders

Certain powers granted to the SCA require a council-approved board order to be effective. During the council's 2010-11 fiscal year, the following SCA board orders were reviewed and approved:

Order No. 02/10: Registration of Cattle Producers

Effective: August 10, 2010

This order outlines what information a cattle producer must provide at the time of registration.

Order No. 03/10: Levy Collection

Effective: August 10, 2010

Levy collection requirements are outlined in this order including the levy amount, how the levy is remitted and the role of the buyer.

Order No. 04/10: Refund of Refundable Levy

Effective: August 10, 2010

This order outlines the levy refund process, specifically what information must be provided to the SCA to obtain a levy refund.

Saskatchewan Flax Development Commission

A5A 116 - 103rd Street East
Saskatoon, SK S7N 1Y7
Phone: (306) 664-1901
Fax: (306) 664-4404
E-mail: saskflax@saskflax.com
Website: www.saskflax.com

Board of Directors - 2009-10

Allen Kuhlmann, Chairperson	Rouleau
Lyle Simonson, Vice Chairperson	Swift Current
Gregor Beck	Rouleau
Erwin Hanley	Regina
David Sefton	Broadview
Shane Stokke	Watrous
Linda Braun, Executive Director	Saskatoon
Dr. Gordon Rowland, Board Advisor	Saskatoon
Glenn Payne, Board Advisor	Regina
Venkata Vakulabharanam, Board Advisor	Regina

Annual Report Review Fiscal Year End - July 31, 2010

The Saskatchewan Flax Development Commission (SaskFlax) was successful in completing and submitting the five required reports to the council for its 2009-10 fiscal year.

In addition to the required reports, several other aspects of SaskFlax's annual report were reviewed, including an analysis of dollars spent on programs and administration and the percentage of refunded levies, a review of the activities report and a verification of the list of directors included in the annual report.

Overall, SaskFlax met all reporting requirements and the council had no significant concerns.

Administration and Finance

SaskFlax's system of internal control, legislative compliance and financial statements are audited annually by Merv Culham, CA. The board of directors and management are responsible for establishing and maintaining a system of internal control, complying with applicable regulations, maintaining financial records, and preparing financial statements.

The levy is collected and recorded by a third-party with a system of checks and balances to ensure accuracy.

Summary of Financial Activities

In accordance with its regulations and orders, SaskFlax is funded by a levy of \$0.03 per bushel (\$1.18 per tonne) of flaxseed and \$0.50 per tonne on flax straw marketed. Producers may request a refund of any or all of the levy paid.

	2009	2010
Levy Revenue	\$505,103	\$683,721
Levy Refunded	(20,158)	(27,699)
Refund Rate	4.0%	4.1%
Other Revenue	<u>57,028</u>	<u>72,211</u>
Total Revenue	541,973	728,233
Total Expenses	<u>549,945</u>	<u>577,816</u>
Operating Surplus (Deficit) for the Year	<u>(\$7,972)</u>	<u>\$150,417</u>
Total Assets	<u>\$1,031,601</u>	<u>\$1,172,741</u>

Registered producers and buyers may request a complete copy of the annual report by contacting the SaskFlax at the above address.

Saskatchewan Forage Seed Development Commission

P.O. Box 1361
Watrous, SK S0K 4T0
Phone: (306) 946-3135
E-mail: sfcdc@sasktel.net

Board of Directors - 2009-10

David Maxwell, Chairperson	Nipawin
Randy Tulloch, Vice Chairperson	Broadview
Clayton Myhre, Treasurer	Nipawin
Janice Bruynooghe (ex officio)	Outlook
Roger Kirk	Nipawin
Perry Thesen	Carrot River
Michel Tremblay (ex officio)	Regina
Nancy Gray, Executive Director	Watrous

Annual Report Review Fiscal Year End - June 30, 2010

The Saskatchewan Forage Seed Development Commission (SFSDC) was successful in completing and submitting all required reports to the council for its 2009-10 fiscal year. However, these reports were not submitted within the required timeframe. The council has met with the SFSDC and has addressed these issues.

In addition to the required reports, an analysis of dollars spent on programs and administration and the percentage of levies refunded and a verification of the list of directors included in the annual report were also performed.

Administration and Finance

The SFSDC's system of internal control, legislative compliance and financial statements are audited annually by Merv Culham, CA. The board of directors and management are responsible for establishing and maintaining a system of internal control, complying with applicable regulations, maintaining financial records, and preparing financial statements.

Summary of Financial Activities

In accordance with its regulations and orders, SFSDC is funded by a levy of 0.75 per cent of the gross value of forage seed marketed at first point of sale. Producers may request a refund of any or all of the levy paid.

	<u>2009</u>	<u>2010</u>
Levy Revenue	\$39,093	\$42,543
Levy Refunded	(850)	(768)
Refund Rate	2.2%	1.8%
Other Revenue	0	7,000
Total Revenue	38,243	48,775
Total Expenses	7,716	10,349
Operating Surplus (Deficit) for the Year	<u>\$30,527</u>	<u>\$38,426</u>
Total Assets	<u>\$150,400</u>	<u>\$182,421</u>

Registered producers and buyers may request a complete copy of the annual report by contacting the SFSDC at the above address.

Saskatchewan Mustard Development Commission

502 - 45th Street West, 2nd Floor
Saskatoon, SK S7L 6H2
Phone: (306) 975-6629
Fax: (306) 244-4497
E-mail: info@saskmustard.com
Website: www.saskmustard.com

Board of Directors - 2009-10

Patrick Ackerman, Chairperson	Chamberlain
Rene deMoissac, Vice Chairperson	Biggar
David Pederson, Treasurer	Hawarden
Tom Burwell	Saskatoon
Baine Fritzler	Govan
Erroll Simington	Kincaid
Kevin Hursh, Executive Director	Saskatoon
Adele Buettner, General Manager	Saskatoon

Annual Report Review Fiscal Year End - July 31, 2010

The Saskatchewan Mustard Development Commission (SMDC) was successful in completing and submitting the required five reports to the council for its 2009-10 fiscal year.

In addition to the required reports, several other aspects of the SMDC's annual report were reviewed, including an analysis of the dollars spent on programs and administration and the percentage of levies refunded, a review of the activities and state of industry reports and a verification of the list of directors included in the annual report.

Overall, the SMDC met all reporting requirements and the council had no significant concerns.

Administration and Finance

The SMDC's system of internal control, legislative compliance and financial statements are audited annually by Twigg & Company. The board of directors and management are responsible for establishing and maintaining a system of internal control, complying with applicable regulations, maintaining financial records, and preparing financial statements.

The levy is collected and recorded by a third-party with a system of checks and balances to ensure accuracy.

Summary of Financial Activities

In accordance with its regulations and orders, SMDC is funded by a levy of 0.50 per cent of the gross value of mustard marketed at the first point of sale. Producers may request a refund of any or all of the levy paid.

	<u>2009</u>	<u>2010</u>
Levy Revenue	\$452,227	\$284,250
Levy Refunded	(22,972)	(10,569)
Refund Rate	5.1%	3.7%
Other Revenue	<u>718,290</u>	<u>318,885</u>
Total Revenue	1,147,545	592,566
Total Expenses	<u>831,367</u>	<u>477,859</u>
Operating Surplus (Deficit) for the Year	<u>\$316,178</u>	<u>\$114,707</u>
Total Assets	<u>\$1,020,029</u>	<u>\$938,576</u>

Registered producers and buyers may request a complete copy of the annual report by contacting the SMDC at the above address.

Saskatchewan Oat Development Commission

P.O. Box 158
Saltcoats, SK S0A 3R0
Phone: (306) 744-2775
Fax: (306) 744-2770
E-mail: POGA@imagewireless.ca

Board of Directors - 2009-10

Dwayne Anderson, Chairperson	Fosston
Richard Pedde	Indian Head
Jim Metherell	Lashburn
Jack Shymko	Ituna
Michael Spilchuk	Ituna
Willie Zuchkan	Foam Lake
Jack Dawes, Executive Director	Saltcoats

Annual Report Review Fiscal Year End - July 31, 2010

The Saskatchewan Oat Development Commission (SODC) did not submit an annual report for its 2009-10 fiscal year. During their annual general meeting, an activities report was presented, as was the 2010-11 budget, which was approved.

The council has informed the SODC that the agency is not in good standing and must complete the reporting requirements.

The SODC has advised that all reporting requirements will be completed and full compliance can be expected in the future.

Saskatchewan Winter Cereals Development Commission

c/o Winter Cereals Canada Inc.
P.O. Box 689
Minnedosa, MB R0J 1E0
Phone: (204) 874-2330
(866) 472-4611
Fax: (204) 874-2135

Board of Directors - 2009-10

Dale Hicks, Chairperson	Outlook
Mark Akins	Hearne
D. Kirk Elliott	Saskatoon
Rod Fedoruk	Kamsack
Mark Weatherald	Wawota

Jake Davidson, Executive Director Minnedosa, MB

Annual Report Review Fiscal Year End - July 31, 2010

The Saskatchewan Winter Cereals Development Commission (SWCDC) was successful in completing and submitting the five required reports to the council for its 2009-10 fiscal year.

In addition to the required reports, several other aspects of the SWCDC's annual report were reviewed, including: an analysis of the dollars spent on programs and administration and the percentage of levies refunded, as well as a verification of the list of directors included in the annual report.

Overall, the SWCDC met all reporting requirements and the council had no significant concerns.

Administration and Finance

The SWCDC's system of internal control, legislative compliance and financial statements are audited annually by Merv Culham, CA. The board of directors and management are responsible for establishing and maintaining a system of internal control, complying with applicable regulations, maintaining financial records, and preparing financial statements.

Summary of Financial Activities

In accordance with the SWCDC regulations and orders, the commission is funded by a levy of \$0.50 per net tonne of winter cereals marketed at the first point of sale. Producers may request a refund of any or all of the levy paid.

	<u>2009</u>	<u>2010</u>
Levy Revenue	\$219,721	\$151,863
Levy Refunded	(2,495)	(2,457)
Refund Rate	1.1%	1.6%
Other Revenue	<u>5,139</u>	<u>3,152</u>
Total Revenue	222,365	152,558
Total Expenses	<u>78,457</u>	<u>65,727</u>
Operating Surplus (Deficit) for the Year	<u>\$143,908</u>	<u>\$86,831</u>
Total Assets	<u>\$316,983</u>	<u>\$403,814</u>

Registered producers and buyers may request a complete copy of the annual report by contacting the SWCDC at the above address.

Development Boards

Sask Pork

2 - 502 45th Street West
Saskatoon, SK S7L 6H2
Phone: (306) 244-7752
Fax: (306) 244-1712
E-mail: info@saskpork.com
Website: www.saskpork.com

Board of Directors - 2009-10

Jay McGrath, Chairperson	Leroy
Brad Cramer, Vice Chairperson	Humboldt
Daryl Possberg, Audit Chairperson	Wainwright, AB
Cliff Ehr	Muenster
Bevra Fee	Spiritwood
David Tschetter	Star City
Neil Ketilson, General Manager	Saskatoon

Annual Report Review Fiscal Year End - July 31, 2010

Sask Pork was successful in completing and submitting the required five reports to the council for its 2009-10 fiscal year.

In addition to the five required reports, several other aspects of the Sask Pork's annual report were reviewed, including an analysis of the dollars spent on programs and administration, a review of their activities and state of industry reports and a verification of the list of directors included in the annual report.

Overall, Sask Pork met all reporting requirements and the council had no significant concerns.

Administration and Finance

Sask Pork's system of internal control, legislative compliance and financial statements are audited annually by Meyers Norris Penny LLP. The board of directors and management are responsible for establishing and maintaining a system of internal control, complying with applicable regulations, maintaining financial records, and preparing financial statements.

Summary of Financial Activities

In accordance with its regulations and orders, Sask Pork is funded by a check-off of \$0.75 per slaughter hog and sow marketed to a Saskatchewan slaughter plant. Sask Pork also collects a service charge of \$0.75 per slaughter hog, slaughter sow and breeding hog, and \$0.20 per early weaned and feeder hog exported live from Canada.

	<u>2009</u>	<u>2010</u>
Check-off Revenue	\$1,166,275	\$1,314,149
Other Revenue	<u>413,526</u>	<u>150,218</u>
Total Revenue	1,579,801	1,464,367
Total Expenses	<u>1,611,378</u>	<u>1,500,318</u>
Operating Surplus (Deficit) for the Year	<u>(\$31,577)</u>	<u>(\$35,951)</u>
Total Assets	<u>\$1,512,416</u>	<u>\$1,630,512</u>

Registered producers and buyers may request a complete copy of the annual report by contacting the Sask Pork at the above address.

Saskatchewan Pulse Crop Development Board

104 - 411 Downey Road
Saskatoon, SK S7N 4L8
Phone: (306) 668-5556
Fax: (306) 668-5557
E-mail: pulse@saskpulse.com
Website: www.saskpulse.com

Board of Directors - 2009-10

Murray Purcell, Chairperson	Saskatoon
Dwayne Moore, Vice Chairperson	Rosetown
John Bennett	Biggar
Vicki Dutton	Paynton
Dan Flynn	Beechy
David Nobbs	Kindersley
Jeff Sopatyk	Saskatoon

Garth Patterson, Executive Director Saskatoon

Annual Report Review

Fiscal Year End - August 31, 2010

The Saskatchewan Pulse Crop Development Board (Sask Pulse) was successful in completing and submitting the required five reports to the council for its 2009-10 fiscal year.

In addition to the required reports, several other aspects of Sask Pulse's annual report were reviewed, including an analysis of the dollars spent on programs and administration, a review of their activities and state of industry reports and a verification of the list of directors included in the annual report.

Overall, Sask Pulse met all reporting requirements and the council had no significant concerns.

Administration and Finance

Sask Pulse's system of internal control, legislative compliance and financial statements are audited annually by Hergott Duval Stack LLP. Sask Pulse's board of directors and management are responsible for establishing and maintaining a system of internal control, complying with applicable regulations, maintaining financial records, and preparing financial statements.

Summary of Financial Activities

In accordance with its regulations and orders, Sask Pulse is funded by a non-refundable check-off of one per cent (plus GST) of the gross value of all pulses marketed at the first point of sale.

	<u>2009</u>	<u>2010</u>
Check-off Revenue	\$12,072,342	\$13,173,212
Other Revenue	<u>983,894</u>	<u>1,081,288</u>
Total Revenue	13,056,236	14,254,500
Total Expenses	<u>8,712,028</u>	<u>11,042,478</u>
Operating Surplus		
(Deficit) for the Year	<u>\$4,344,208</u>	<u>\$3,212,022</u>
Total Assets	<u>\$15,514,969</u>	<u>\$18,204,788</u>

Registered producers and buyers may request a complete copy of the annual report by contacting the Sask Pulse at the above address.

Sheep Development Board

2213C Hanselman Court
Saskatoon, SK S7L 6A8
Phone: (306) 933-5200
Fax: (306) 933-7182
E-mail: sheepdb@sasktel.net
Website: www.sksheep.com

Board of Directors - 2009-10

David Meynberg, Chairperson	Maidstone
Trent Larson	Southey
Dwayne Morvik	Eastend
Clint Wiens	Drake
Richard Zubot	Humboldt

Gordon Schroeder, Executive Director Saskatoon

Annual Report Review

Fiscal Year End - September 30, 2010

The Sheep Development Board (SDB) was successful in completing and submitting the required five reports to the council for its 2009-10 fiscal year.

In addition to the five required reports, several other aspects of the SDB's annual report were reviewed, including an analysis of the dollars spent on programs and administration, a review of their activities and state of industry reports and a verification of the list of directors included in the annual report.

Overall, the SDB met all reporting requirements and the Council had no significant concerns.

Administration and Finance

The SDB's system of internal control, legislative compliance and financial statements are audited annually by HVB Chartered Accountants Prof. Corp. The board of directors and management are responsible for establishing and maintaining a system of internal control, complying with applicable regulations, maintaining financial records, and preparing financial statements.

Summary of Financial Activities

In accordance with its regulations and orders, SDB is funded by a non-refundable levy. The SDB levy is \$1.50 per marketed sheep and is applied at the time of purchase of Canadian Sheep Identification Program ear tags.

	<u>2009</u>	<u>2010</u>
Levy Revenue	\$94,399	\$99,614
Other Revenue	<u>365,357</u>	<u>442,604</u>
Total Revenue	460,056	542,218
Total Expenses	<u>443,082</u>	<u>518,382</u>
Operating Surplus (Deficit) for the Year	<u>\$16,974</u>	<u>\$23,836</u>
Total Assets	<u>\$268,432</u>	<u>\$253,675</u>

Registered producers and buyers may request a complete copy of the annual report by contacting the SDB at the above address.

Orders

Certain powers granted to the SDB require a council-approved board order to be effective. As part of its board order review process and to meet its legislative requirement that board orders be renewed every 10 years, SDB reviewed and amended its board orders. During the council's 2010-11 fiscal year, the following SDB board orders were reviewed and approved:

Order No. 19/10: Service Charges

Effective: July 26, 2010

All Saskatchewan sheep producers must pay a service charge to the board based on the number of Canadian Sheep Identification Program (CSIP) ear tags purchased by the producer. This order also makes the SDB Saskatchewan's only distributor of these tags and outlines the service charge amount and the information to be provided at the time of purchase.

Order No. 20/10: Producer Registration

Effective: July 26, 2010

All producers are required to register with the board prior to January 15 each year. At the time of registration, producers must provide the specific information outlined in this order.

Order No. 21/10: Marketing Services and Procedures

Effective: July 26, 2010

Upon request, the board shall provide the marketing services identified in this order to producers. Producers using the marketing services must provide the specific information listed in this order at the time the services are requested.

Order No. 22/10: Dealer Registration

Effective: July 26, 2010

Each dealer, buyer, feedlot operator or processor who trades in sheep or lambs produced in Saskatchewan is required to register with the SDB within 45 days of being requested to do so and shall renew their registration before the 15th of January each year.

Order No. 23/10: Marketing Charges

Effective: July 26, 2010

Producers using marketing services provided by the board must pay a marketing charge for services provided. All board-provided marketing services require the payment of a service charge.

Order No. 24/10: Insurance

Effective: July 26, 2010

This order allows the board to establish an insurance fund to insure the transportation of sheep and lambs from the time of loading at an assembly yard up to and including the delivery to the dealer. Insurance details are also provided in this order.

Order No. 25/10: Revoking Order

Effective: July 26, 2010

In the SDB's review of its orders, three orders were revoked.

Marketing Boards

Saskatchewan Broiler Hatching Egg Producers' Marketing Board

15 - 2220 Northridge Drive

Saskatoon, SK S7L 6X8

Phone: (306) 242-3611

(888) 332-5825

Fax: (306) 242-3286

Email: gale@saskatchewanchicken.ca

Government Representative with Administrative Powers

Roy White

Regina

Management

Clinton Monchuk, Chief Executive Officer Saskatoon

Annual Report Review

Fiscal Year End - December 31, 2010

The Saskatchewan Broiler Hatching Egg Producers' Marketing Board (BHE) was successful in completing and submitting the required five reports to the council for its 2010 fiscal year.

In addition to the required reports, an analysis of the dollars spent on programs and administration and a review of the activities report included in the BHE annual report were performed.

Overall, BHE met all reporting requirements and the council had no significant concerns.

Administration and Finance

BHE's system of internal control, legislative compliance and financial statements are audited annually by Dudley & Company LLP. Mr. White and Mr. Monchuk are responsible for establishing and maintaining a system of internal control, complying with applicable regulations, maintaining financial records and preparing financial statements.

Summary of Financial Activities

During the 2010 fiscal year, BHE collected \$98,880 in levies. In accordance with the agency's regulations and orders, the levy is \$0.0032 per quota unit. This levy is mandatory and non-refundable.

	2009	2010
Levy Revenue	\$96,880	\$98,880
Other Revenue	<u>75,404</u>	<u>71,714</u>
Total Revenue	172,284	170,594
Total Expenses	<u>170,389</u>	<u>162,573</u>
Operating Surplus (Deficit) for the Year	<u>\$1,895</u>	<u>\$8,021</u>
Total Assets	<u>\$161,128</u>	<u>\$168,876</u>

Registered producers and buyers may request a complete copy of the annual report by contacting the BHE at the above address.

Government Representative with Administrative Powers

Through Lieutenant Governor Order in Council #283/2000, dated May 30, 2000, the Minister of Agriculture assumed many of the powers of the BHE and then delegated those powers to an independent government representative with administrative powers. This process was undertaken to address board governance issues.

The government representative is charged with the following tasks:

- carrying out quota allocation, pricing, and levy collection duties and procedures;
- resolving industry disputes; and
- exploring with the industry new decision-making structures that may prevent delays in industry progress.

Chicken Farmers of Saskatchewan

15 - 2220 Northridge Drive

Saskatoon, SK S7L 6X8

Phone: (306) 242-3611

(888) 332-5825

Fax: (306) 242-3286

Email: gale@saskatchewanchicken.ca

Website: www.saskatchewanchicken.ca

Board of Directors - 2010

Diane Pastoor, Chairperson	Dalmeny
Terry Knippel, Vice Chairperson	Hepburn
Tim Keet	Grandora
Rudy Martinka	St. Benedict
Mike Pickard	Saskatoon

Clinton Monchuk, Chief Executive Officer Saskatoon

Annual Report Review

Fiscal Year End - December 31, 2010

The Chicken Farmers of Saskatchewan (CFS) was successful in completing and submitting the five required reports to the council for its 2010 fiscal year.

In addition to the required reports, several other aspects of the CFS annual report were reviewed, including an analysis of the dollars spent on programs and administration, activities report and state of industry reports and a verification of the list of directors included in the annual report.

Overall, CFS met all reporting requirements and the council had no significant concerns.

Administration and Finance

The CFS system of internal control, legislative compliance and financial statements are audited annually by Dudley & Company LLP. The board of directors and management are responsible for establishing and maintaining a system of internal control, complying with applicable regulations, maintaining financial records, and preparing financial statements.

Summary of Financial Activities

During the 2010 fiscal year, the CFS collected \$625,603 in levies. In accordance with its regulations and orders, the CFS is funded by a check-off of \$0.016 per live kilogram of chicken marketed. This check-off is mandatory and non-refundable.

	2009	2010
Check-off Revenue	\$602,770	\$625,603
Other Revenue	216,313	278,478
Total Revenue	819,083	904,081
Total Expenses	733,953	850,505
Operating Surplus (Deficit) for the Year	\$85,130	\$53,576
Total Assets	\$869,570	\$1,065,600

Registered producers and buyers may request a complete copy of the annual report by contacting the CFS at the above address.

Production

There were 74 licensed chicken producers in 2010. Saskatchewan's 2010 broiler base production was 54,183,288 live kilograms, an increase of 9.2 per cent compared to 2009.

Year	Number of Birds	Live Weight (kg)	Average Bird Weight (kg)
2010	26,076,398	54,183,288	2.08
2009	24,543,533	49,627,742	2.02
2008	25,231,200	52,367,480	2.08
2007	24,517,000	52,369,000	2.13
2006	23,792,734	51,544,570	2.20
2005	23,383,724	45,880,416	1.96
2004	25,266,796	44,901,444	1.78
2003	23,004,442	41,371,638	1.80
2002	21,409,775	40,620,973	1.90
2001	19,781,770	37,431,205	1.89
2000	16,937,235	32,414,857	1.91

Saskatchewan Egg Producers

496 Hoffer Drive
P.O. Box 1263
Regina, SK S4P 3B8
Phone: (306) 924-1505
Fax: (306) 924-1515
E-mail: sep@saskegg.ca
Website: www.saskegg.ca

Board of Directors - 2010

Bert Harman, Chairperson	Saskatoon
Stan Fehr, Vice Chairperson	Hague
Joseph E. Hofer, Jr.	Walsh, AB
Joseph Mandel	Tompkins
Regan Sloboshan	Vanscoy
Jim Teichrob	Saskatoon
Joy Smith, General Manager	Regina

Annual Report Review

Fiscal Year End - December 31, 2010

The Saskatchewan Egg Producers (SEP) was successful in completing and submitting the five required reports to the council for its 2010 fiscal year.

In addition to the required reports, several other aspects of the SEP's annual report were reviewed, including an analysis of the dollars spent on programs and administration, a review of the activities and state of industry reports and a verification of the list of directors included in the annual report.

Overall, the SEP met all reporting requirements and the council had no significant concerns.

Administration and Finance

SEP's system of internal control, legislative compliance and financial statements are audited annually by KPMG LLP. The board of directors and management are responsible for establishing and maintaining a system of internal control, complying with applicable regulations, maintaining financial records, and preparing financial statements.

Summary of Financial Activities

In accordance with its regulations and orders, SEP's applied check-off is \$0.075 per dozen eggs marketed. This check-off is mandatory and non-refundable.

	2009	2010
Check-off Revenue	\$6,189,030	\$8,213,965
Less: Egg Farmers of Canada Levy	(4,587,324)	(6,713,281)
Less: Egg Farmers of Canada Settlement (2008 and 2009 only)	(241,505)	-
Net Check-off	1,360,201	1,500,684
Other Revenue	90,495	104,206
Total Revenue	1,450,696	1,604,890
Total Expenses	1,376,224	1,445,393
Operating Surplus (Deficit) for the Year	\$74,472	\$159,497
Total Assets	\$1,671,939	\$1,839,738

Registered producers and buyers may request a complete copy of the annual report by contacting the SEP at the above address.

Production

There were 64 licensed egg producers in 2010. The 2010 table egg production for Saskatchewan was 24.98 million dozen eggs produced by 923,028 layers, an increase of 1.5 per cent.

Year	Number of Layers	Production (million dozen)
2010	923,028	24.98
2009	908,812	24.62
2008	901,804	23.67
2007	890,073	23.00
2006	890,960	23.12
2005	858,809	22.68
2004	805,903	19.66
2003	783,935	19.51
2002	781,884	19.75
2001	788,723	19.52
2000	787,668	19.07

Orders

Certain powers granted to the SEP require a council-approved board order to be effective. As part of its board order review process and to meet its legislative requirement that board orders be renewed every ten years, SEP reviewed and amended its board orders. During the council's 2010-11 fiscal year, the following SEP board orders were reviewed and approved:

Order No. 46/10: Sale of Production Limits

Effective: September 25, 2010

The auctioning process that will be applied by the SEP in the distribution of the increase in quota acquired as a result of the resolution of the SEP-Egg Farmers of Canada dispute is established in this order.

Order No. 47/10: Chick Permits

Effective: September 25, 2010

A Chick Placement Permit must be obtained by any person or corporation who sells or contracts the movement of chicks to a licensed producer or a pullet growing operation that supplies pullets to a licensed producer. Chicks include layer chicks hatched, day-old chicks or any chick prior to pullet grow-out.

Order No. 48/10: Prices

Effective: September 25, 2010

Within 48 hours of a price change, the board must inform all licensed producers, licensed egg stations and other parties (as deemed necessary by the board) of any change in prices.

Order No. 49/10: Levies

Effective: September 25, 2010

This order allows levies to be imposed on Saskatchewan egg producers. SEP may forward a portion of these levies to the Egg Farmers of Canada (EFC) in an amount and method agreed to by SEP and EFC.

Order No. 50/10: Reporting

Effective: September 25, 2010

All licensed producers shall provide SEP with the information outlined in this order within the timeframe established by this order. As well, each licensed egg station (grading station) shall provide SEP with a weekly summary report of gradings.

Order No. 51/10: Eggs for Processing

Effective: September 25, 2010

Any producer producing eggs destined for the EFC's Eggs for Processing (EFP) program must hold a valid board-issued EFP licence. The specifics for obtaining this licence and participating in the program are outlined in this order.

Order No. 52/10: Risk Management

Effective: September 25, 2010

This order details the process for identifying the presence of *Salmonella enteritidis* in a production facility, as well as the process for handling confirmed cases and the application of producer compensation programs.

Order No. 53/10: Orders Rescinded

Effective: September 25, 2010

Once the board had completed its review of its orders, 14 orders were deemed to be no longer necessary and were rescinded in this order.

Saskatchewan Milk Marketing Board

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Board of Directors - 2009-10

Blaine McLeod, Chairperson

Melvin Foth, Vice Chairperson

Wes Cairns

Gordon Ell

David Entz

David Finlay

Jack Ford

Elvin Haupstein

Isaac Klassen

Albert Leyenhorst

Jim Ross

Alvin Schultz

Dale Strudwick

Jason Wildeboer

Ryan Boughen, Chief Executive Officer

Caronport

Hague

Harris

Kronau

Pennant

Delisle

Wishart

Weyburn

Osler

Dalmeny

Grenfell

Dalmeny

Balgonie

Warman

Regina

Annual Report Review

Fiscal Year End - July 31, 2010

The Saskatchewan Milk Marketing Board (SMMB) was fully established on October 1, 2010. Their first annual report will be presented to the Agri-Food Council during next fiscal year.

Orders

Certain powers granted to the SMMB require a council-approved board order to be effective. During the council's 2010-11 fiscal year, the following SMMB board orders were reviewed and approved:

Order No. 01/10: Definitions

Effective: October 1, 2010

Definitions of terms to be used in future SMMB orders are provided in this order.

Order No. 02/10: Quota

Effective: October 1, 2010

This order requires that all producers be licensed by the board and must provide the board with any information that is requested in relation to the license. It also establishes the process for allocating and transferring quota to licensed producers, as well as allowing the board to hold quota in abeyance.

Order No. 03/10: Marketing of Milk

Effective: October 1, 2010

Through this order, the board is established as the first receiver of milk produced by all licensed producers in Saskatchewan.

Order No. 04/10: Processor Milk Utilization Reporting and Payment

Effective: October 1, 2010

This order addresses the information handling requirements to which all processors of Saskatchewan milk must adhere to and outlines the processor payment requirements.

Order No. 05/10: Milk Pricing

Effective: October 1, 2010

The milk classes applied for the pricing of milk in Saskatchewan are defined in this order. The board establishes milk class prices which correspond with milk class pricing set through the policies of the national milk supply management system.

Order No. 06/10: Producer Milk Pools

Effective: October 1, 2010

This order allows the board to establish and administer a milk pool or milk pools in Saskatchewan for the distribution of all moneys received from the milk sales of each licensed producer. Also outlined is the producer payment system.

Order No. 07/10: Milk Production and Facility Standards

Effective: October 1, 2010

This order is based on the milk production and facility standards that were previously contained within *The Dairy Producers Regulations, 1995* which were repealed with the repeal of *The Milk Control Act, 1992*.

Order No. 08/10: Milk Transporter

Effective: October 1, 2010

The transportation of milk in Saskatchewan requires the milk transporter to hold a valid and subsisting licence issued by the SMMB. All licensees must comply with the requirements of the SMMB as identified in this order.

Order No. 09/10: Milk Transportation Expense Policy

Effective: October 1, 2010

This order allows the board to establish one or more milk transportation expense pools for the costs associated with transporting milk on behalf of licensed producers to milk processing plants on terms and conditions that the board may determine from time to time. The board may also establish variable transportation rates across the province and must notify licensed producers of this policy and any changes to it.

Order No. 10/10: Levies

Effective: October 1, 2010

Producer and processor levies are established in this order.

Order No. 12/10: Processor Licence

Effective: October 1, 2010

This order outlines the processor licence application process. Only with a valid processor licence may a milk processor in Saskatchewan operate a milk processing plant.

Saskatchewan Turkey Producers' Marketing Board

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Board of Directors - 2010

Kevin Pulvermacher, Chairperson	Bruno
Wayne Goodman, Vice Chairperson	Stalwart
Jelmer Wiersma	Cudworth
Joni Rynsburger	Saskatoon
Todd Clarke	Esterhazy
Rose Olsen, Executive Director	Saskatoon

Annual Report Review Fiscal Year End - December 31, 2010

The Saskatchewan Turkey Producers' Marketing Board (STPMB) was successful in completing and submitting the five required reports to the council for its 2010 fiscal year.

In addition to the five required reports, several other aspects of the STPMB annual report were reviewed, including: an analysis of the dollars spent on programs and administration, a review of the marketing and state of industry reports and a verification of the list of directors included in the annual report.

Overall, the STPMB met all reporting requirements and the council had no significant concerns.

Administration and Finance

STPMB's system of internal control, legislative compliance and financial statements are audited annually by Hergott Duval Stack LLP. The board of directors and management are responsible for establishing and maintaining a system of internal control, complying with applicable regulations, maintaining financial records, and preparing financial statements.

Summary of Financial Activities

In accordance with its regulations and orders, STPMB is funded by a mandatory and non-refundable check-off of \$0.02 per live kilogram marketed. During the 2010 fiscal year, the board collected \$120,555 in check-offs.

	2009	2010
Check-offs	\$120,688	\$120,555
Other Revenue	83,383	45,900
CTMA Check-off	101,632	101,520
Total Revenue	305,703	267,975
Total Expenses	256,184	264,974
Operating Surplus (Deficit) for the Year	\$49,519	\$3,001
Total Assets	\$333,233	\$353,533

Registered producers and buyers may request a complete copy of the annual report by contacting the STP at the above address.

Production

There were 14 licensed producers in 2010. The total production of regulated turkeys in Saskatchewan was 6,344,468 kilograms (live), a decrease of 0.25 per cent when compared to 2009 production figures.

Year	Live Weight (kg)
2010	6,344,468
2009	6,360,603
2008	7,483,539
2007	7,023,125
2006	6,405,806
2005	5,760,787
2004	5,676,181
2003	5,870,791
2002	5,649,040
2001	5,876,214
2000	6,113,061

